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INFO RUEHAC/AMEMBASSY ASUNCION 8679  
RUEHBO/AMEMBASSY BOGOTA 6039  
RUEHBR/AMEMBASSY BRASILIA 0002  
RUEHBU/AMEMBASSY BUENOS AIRES 7222  
RUEHCV/AMEMBASSY CARACAS 4270  
RUEHGE/AMEMBASSY GEORGETOWN 0917  
RUEHPE/AMEMBASSY LIMA 4603  
RUEHMD/AMEMBASSY MADRID 4336  
RUEHMN/AMEMBASSY MONTEVIDEO 6033  
RUEHPO/AMEMBASSY PARAMARIBO 0567  
RUEHQT/AMEMBASSY QUITO 6884  
RUEHSG/AMEMBASSY SANTIAGO 1664  
RUMIAAA/USCINCSO MIAMI FL  
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C O N F I D E N T I A L LA PAZ 002623

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TAGS: [PGOV](#) [PREL](#) [ODIP](#) [OIIP](#) [KPAO](#) [EAID](#) [BL](#)  
SUBJECT: BOLIVIA: MORALES MANIPULATES MEDIA OWNERS

REF: LA PAZ 2569

Classified By: PAS Counselor Denise Urs for reasons 1.4 b,d

11. (C) Summary: Bolivian President Evo Morales continues on the offensive against the media, part of a long-running campaign against the Bolivian media. Through verbal and financial assaults, the Bolivian Government is attempting to manipulate the way news is reported in this country. The GOB uses financial tactics, such as hitting media with tax bills or spending large sums of money on advertising, to influence editorial lines and to create a fog about truthfulness. It is also using its own media to expand and reinforce a cult following around Morales. End summary.

GOB on the Attack

12. (SBU) The latest round of political attacks against the media (reftel) is part of an ongoing battle. President Evo Morales regularly calls the media his "principal opposition," and his "enemies." Notwithstanding his latest barbs, however, Morales usually adds that he is not against journalists, but against media owners. Rumors have been floating for months that in order to attempt to protect the President from his "enemies," Venezuelan investors are trying to purchase various outlets including La Paz's second-largest daily La Prensa, but so far there is no evidence that any sales have been concluded.

13. (C) Instead, the GOB is intimidating media outlets through legal proceedings and showing favoritism in the distribution of its significant ad budget to push the press toward a more favorable view of its policies. In one example, the GOB sent La Razon, the largest newspaper in La Paz, a tax bill for nearly \$5 million for having "avoided taxes during 2006." High-level officials at La Razon speculated to Public Affairs Section officers that this tax bill may have been an attempt to intimidate the paper to move from its generally anti-GOB editorial stance. The tax liability would also lower the value of the paper so that it could be sold at a lower price.

14. (C) Nationalization of certain companies has also helped the GOB push its press agenda forward. On May 1, President Morales nationalized communications giant Entel, one of the largest advertisers in Bolivia. The GOB has been accused of using the enormous advertising budgets of the companies it has nationalized, including Entel, to reward media that publish pro-GOB articles and to punish those that do not.

15. (C) With only one exception, anti-GOB television network Unitel, all of the major media in Bolivia accept direct paid advertising from the Government, including spots that label the media as "liars" and suggest that Bolivians should not trust what they read, see, or hear from the press. Ironically, these same media often editorialize against the GOB during the same broadcasts or in the same newspapers that carry anti-media ads. PAS officers have asked media directors why they continue to carry the GOB ads, and all have stated that without the income it would be more difficult to survive in the very competitive market.

Who owns the Media?

16. (SBU) Although the majority of media in Bolivia are privately owned, it is difficult to determine who the owners are. There are no public records that prove ownership, and companies or individuals who own majority stakes can sell without a public paper trail. There are regular rumors about the possible sale of outlets, but proof of such sales is nil and the rumors usually fade quickly.

17. (C) Another issue of concern is the influence of Venezuelan money in the media. PAS regularly hears that Venezuelan businessmen are negotiating the purchase of one of the television networks (usually cash-strapped ATB) as well as numerous newspapers that are in financial trouble. Others claim it is mere speculation. Nevertheless, Venezuelan money has built a technically stronger, pro-government, populist media network in the main Bolivian cities, called Radio y Television Popular.

18. (C) La Paz's second largest daily La Prensa reported that Morales has reformed state-owned media outlets in an effort to expand the popularity and cult following of the President. The GOB created a network of community radio stations, an internet wire agency (ABI), and expanded the reach of the Government-owned TV Channel 7 using a \$9 million donation from Venezuela to install 120 repeaters. There are also reports that the budget for Channel 7 operations has expanded by \$3.8 million and that the normal procurement protocols have been dropped. The political opposition claims that the President is advised by a team of communications experts from Venezuela as well as other countries.

19. (C) Under the Morales administration, Channel 7, Empresa Nacional de Television, has become one of the government's primary media tools, often presenting biased and misleading information, openly propagandizing for the President and his policies, and discrediting the opposition. Channel 7 is intent on expanding its reach and influence throughout the country. The manager of Channel 7 announced that it is upgrading to digital technology, a costly investment by Bolivian standards. A year ago, Channel 7 announced the receipt of a donation of equipment from unknown sources to improve its reach in the departments of La Paz and Santa Cruz, and that it had purchased 50 new repeaters to be distributed to remote locations in the west and the Amazon region. After the Iranian President's visit to Bolivia early in 2007, some publications reported that Channel 7 would get a large donation (some reported the intended donation would be a multi-million dollar investment) to strengthen the state TV network, but there has been no indication that this is going to materialize. Iranian media are now reporting that the donation will be in the form of Spanish-language programming. Channel 7 also airs Venezuelan Government-owned Telesur programming as part of its regular daily schedule.

Who Owns the Print Media?

¶10. (SBU) Two major media conglomerates appear to own most of the media in Bolivia. Spanish group Prisa (owners of the Spanish daily El Diario) owns La Razon; ATB, a private TV network; and &Extra8 a cheap sensationalist daily. The other media conglomerate, the Canelas and Rivero families, owns most of the national major dailies throughout the country. In La Paz, they own La Prensa; in Santa Cruz, leading daily El Deber; in Cochabamba leading daily Los Tiempos; they also own the only daily in El Alto, El Alteo; in Sucre, Correo del Sur; in Potosi, El Potosi; and in Tarija, El Nuevo Sur. The Canelas-Rivero Group papers are generally critical of the Government. Other smaller, independently owned newspapers fight for ever-shrinking private-sector advertising revenues and often accept GOB advertising to continue printing.

Comment

¶11. (C) Bolivia's media environment is increasingly difficult. The GOB, aided by large Venezuelan investments, has used financial pressures in an attempt to change the editorial line of the media, and to hasten or provoke the sale of media outlets. The regular rumors about the impending sales of media may be a smoke screen to cover an actual sale, they may be a rouse to frighten the media, or they may simply be the imagination of media owners. It is always possible, however, that media will be sold without public knowledge, changing the opinion-leader landscape in the country. End comment.

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